

City Council Meeting Minutes Budget Retreat

**Tuesday, February 10, 2015
Library, 1st Floor Meeting Room
951 Spruce Street
6:00 PM**

Call to Order – Mayor Pro Tem Dalton called the meeting to order at 6:04 p.m. and called for introductions:

City Council: ***Mayor Robert Muckle (arrives at 6:05 pm), Council members: Hank Dalton, Jeff Lipton, Susan Loo, Ashley Stolzmann, Chris Leh and Jay Keany***

Staff Present: ***Malcolm Fleming, City Manager
Heather Balser, Deputy City Manager
Kevin Watson, Finance Director
Dave Hayes, Police Chief
Troy Russ, Planning Director
Kurt Kowar, Public Works Director
Beth Barrett, Library & Museum Director
Aaron DeJong, Economic Development Director
Kathleen Hix, Human Resources Director
Chris Neves, IT Director
Kathy Martin, Recreation Superintendent
Meredyth Muth, Public Relations Manager
Carol Hanson, Deputy City Clerk***

Facilitator: ***Heather Bergman, Peak Facilitation***

APPROVAL OF AGENDA

Council member Stolzmann moved to approve the agenda, seconded by Council member Lipton. All in favor.

DISCUSSION/DIRECTION 2016 GOALS AND BUDGET

OVERVIEW OF PROGRAM SUMMARY

Heather Bergman described the facilitation of the meeting. She asked City Manager Fleming to introduce the topics to be discussed.

City Manager Fleming noted the Council had expressed a desire to design the budget in a more program based way. Reflecting the importance of goal setting and Council's interest in a Program Budget, staff developed a Program Summary to (1) organize the City's numerous services into Programs, (2) suggest Council consideration for the broad policy goals that would drive staff's efforts, (3) identify key indicators used to measure how well the City is doing in achieving those goals, and (4) suggest some specific potential projects and actions to help achieve the goals that may require resources over and above the base level budget or changes in the way the base budget is allocated.

He described the budget and goals staff requested Council's comments and direction on:

1. **Programs.** Does the list of programs help effectively communicate the services the City provides? What changes or clarification does Council want to see?
2. **Goals.** Do the proposed goals accurately reflect the Council's policy aspirations? What changes or clarifications does Council want to see?
3. **Sub-Programs.** The sub-programs are intended to help organize activities into more measureable categories to help facilitate performance measurement. Are these the categories that Council would like to measure?
4. **Key Indicators.** The key indicators are intended to identify specific things staff would measure to gage how well the City is accomplishing the identified goals. Are these the appropriate indicators? What refinements would Council like to see? What indicators would Council add?
5. **Potential Contributing Projects.** This is a preliminary list—subject to change—and is intended to show some of the potential projects and actions that could help achieve the goals and that may require resources over and above the base level budget or changes in the way the base budget is allocated. Does listing projects this way help Council better understand and evaluate what could be included in the Budget and provide sufficient opportunity to advocate for or against such projects?

He addressed how the Program Summary would complement the Budget. Displaying the City's Budget in a different way—categorized into Programs—in an effort to make it easier to understand the services the City provides and to more effectively communicate the resources (people and funds) used to provide those services. On the other hand, many people (staff, Council Members and the public) are also used to and rely on the way the City's Budget is currently organized—around Funds, Departments, Cost Centers and activities. To address the interest in a Program format, without compromising the familiarity some have with the existing format, the intent is to add this Program Summary as a new section of the budget document.

Each program and sub program would address the following:

- Program Description
- FTE's

- Revenues
- Expenditures
- Key Indicator Detail

DISCUSSION/DIRECTION ON PROGRAMS

City Manager Fleming asked if the program list helps effectively communicate the services the City provides.

Ms. Bergman asked for comments and if anything was missing from the program list.

TRANSPORTATION
UTILITIES
PUBLIC SAFETY AND JUSTICE
PARKS
OPEN SPACE AND TRAILS
RECREATION
CULTURAL SERVICES
COMMUNITY DESIGN
ECONOMIC PROSPERITY
ADMINISTRATION AND SUPPORT SERVICES

Council members addressed specificity, measures for satisfaction level, incorporating last year's goals, capturing revenues and expenditures. It was noted the other categories as well as the budget line items help capture the specifics and measurements.

Ms. Bergman asked if the program categories looked okay as presented. Council consensus was the Program list was sufficient.

DISCUSSION/DIRECTION ON SUB-PROGRAMS

Council was asked if the categories of sub-programs were those they would like to measure.

TRANSPORTATION: Planning and Engineering, Transportation Infrastructure Maintenance, Snow and Ice Removal
UTILITIES: Water, Wastewater, Stormwater, Solid Waste, Recycling and Composting
PUBLIC SAFETY AND JUSTICE: Patrol and Investigation, Code Enforcement, Municipal Court
PARKS: Parks, Forestry, Horticulture, Cemetery
OPEN SPACE AND TRAILS: Open Space, Trails
RECREATION: Youth Activities, Adult Activities, Senior Activities and Services, Golf Course

CULTURAL SERVICES: Library Services, Museum Services, Cultural Arts and Special Events

COMMUNITY DESIGN: Community Design, Development Review, Historic Preservation

ECONOMIC PROSPERITY: Business Facilitation, Urban Renewal

ADMINISTRATION AND SUPPORT SERVICES: Governance and Administration, Public Information and Involvement, City Clerk/Public Records, Legal Support, Human Resources and Organizational Development, Finance, Accounting and Tax Administration, Information Technology, Sustainability, Facilities Maintenance, Fleet Maintenance

Council discussed whether the sub-programs addressed the categories needed to capture policy and address questions as well as containing the detail needed at this level. It was noted if questions are asked continually about an item, there may be need to add a sub-program at a later date.

Council agreed the following should be added to the sub-programs:

- Under Recreation – Aquatics
- Under Open Space – Acquisition, Maintenance, Trails development, Education/Outreach, Trail maintenance. Clarity when Capital and when Operation and Maintenance.
- Under Parks – move medians to Transportation as Streetscape
- Under Economic Prosperity - call it Business Retention and Development instead of Business Facilitation

Participants took a five minute break at 7:25 PM.

DISCUSSION/DIRECTION ON GOALS

City Manager Fleming noted the 2015 Goals were incorporated into the proposed goals and programs. The question was posed, do the proposed goals accurately reflect the Council's policy aspirations and what changes or clarifications would Council want to see.

Council discussion resulted in the suggested direction for staff as noted in the narrative below. Staff was asked to refine the suggestions to properly word them and to add verbs, or action, to each goal statement.

Proposed 2016 Goals **(Council suggestions in bold print)**

TRANSPORTATION: A safe, effective and efficient multi-modal transportation system at a reasonable cost **that is well maintained.**

UTILITIES: Safe, reliable, good tasting water. Properly treated wastewater. Effective stormwater control. Competitive prices for all services.

Add solid waste disposal and environmentally friendly and great tasting water. Reasonable prices instead of competitive.

PUBLIC SAFETY AND JUSTICE: Police and other City staff working with the community to help ensure safety and to satisfy residents; expectations that individuals observe the City's Municipal Code and State law. The justice system is fair, effective and efficient.

PARKS: Beautiful, well-maintained parks and landscaped areas that are easy to walk to and enjoyable to visit or see. Sports facilities that are fully used and properly maintained. A suitable final resting place that is not a financial burden on the City. **Delete beautiful; change "fully used" to "meets community needs"; remove reference to a suitable final resting place and take off "that is not a financial burden on the City"**

OPEN SPACE AND TRAILS: Native plants, wildlife, wildlife and plant habitat, cultural resources, agriculture and scenic vistas and appropriate passive recreation. **Add at beginning "preserve and enhance with acquisition and maintenance of properties that provide"**

RECREATION: A broad range of high-quality, reasonably priced recreation activities for people all ages, interests and ability levels. **Add mental and physical health/well-being and well maintained.**

CULTURAL SERVICES: Services, facilities and activities that inform, involve and inspire the community. **Add community engagement; heritage**

COMMUNITY DESIGN: An inclusive, family-friendly, walkable community with a small-town atmosphere; effective and efficient building services; effective preservation of the City's history through an incentive based voluntary system. **Change history to historic structures and strike incentive based. Take out walkable and replace with accessible or put in the key indicators. Add safe in beginning of sentence.**

ECONOMIC PROSPERITY: A thriving business climate that provides good jobs for residents, facilitates investment, and establishes reliable revenue to support City services. **Change good jobs to provides job opportunities; change establishes to nurtures.**

ADMINISTRATION AND SUPPORT SERVICES: Inclusive, responsive, effective and efficient governance, administration and support. **Add transparent, fiscally responsible and friendly.**

DISCUSSION/DIRECTION ON KEY INDICATORS

City Manager Fleming explained the management team was instructed to look at the things used to make management decisions and how to evaluate services to arrive at the key indicators.

Council members decided there was no need to go over each of these minutely. They asked staff to look for detail specifics, to subtract judgments, make sure indicators are quantitative/measurable and meet industry standards.

TRANSPORTATION: Planning and Engineering, Transportation Infrastructure Maintenance, Snow and Ice Removal

Acceptable accessibility and mobility index, Mode split, % of trip types: regional/local Acceptable accident rates; compliance with OCI and per capita cost policy objectives; measured satisfaction levels; streets, trails plowed and shoveled with XX hours.

UTILITIES: Compliance with all regulations; minimal complaints; competitive prices; effective conservation of resources; measured satisfaction levels.

PUBLIC SAFETY AND JUSTICE: Everyone knows their neighbors; low crime and Code violation rates; measured satisfaction levels.

PARKS: maintained to established criteria; maintain tree inventory; moving to desired level of tree diversity; stable or declining cost per acre; measured satisfaction levels.

OPEN SPACE AND TRAILS: Maintained to established criteria; cost per acre and per mile; measured satisfaction levels; productive relationships with owners of candidate properties.

RECREATION: Good participation rates; fees reflect adopted cost recovery; facilities maintained to established criteria; measured satisfaction levels.

CULTURAL SERVICES: Good participation; relevant, accessible materials; measured satisfaction levels.

COMMUNITY DESIGN: Measured satisfaction levels; Code compliance; fees reflect costs; achievement of preservation goals.

ECONOMIC PROSPERITY: Vacancy rate; jobs per capita; resident filled jobs; sales, construction, and consumer use tax revenue; Building Investment; Economic indicators and trends.

ADMINISTRATION AND SUPPORT SERVICES: Measured external and internal satisfaction levels, participation rates; comparison to established benchmark performance indicators and accomplishment of contributing projects/goals.

DISCUSSION/DIRECTION ON ROLE OF CONTRIBUTING PROJECTS

City Manager Fleming explained the list of contributing projects was presented as examples of how they could be reflected in the programs. He asked if this captures what Council would like to see in the budget. Council asked to see them as projects and actions and felt it might be helpful to associate them even in separate sheets or with the program areas.

Facilitator Bergman congratulated the Mayor, Council, and staff and for their exceptional work on working on a new way to look at the budget.

BUDGET CALENDAR

City Manager Fleming inquired if any Council members had conflicts with the budget calendar as presented. Council had no conflicts.

- May 5, 2015 – Council Considers 2015 Budget Amendment for Rollovers, New Expenditure Items, and Revenue Adjustments
- June 9, 2015 – Council Budget Retreat to Refine & Reprioritize 2016 Goals, Discuss Recommended C-I-P, and Revenue Update
- September 15, 2015 – City Manager's Recommended Budget Presented to City Council at a Regular Meeting (Public Hearing Set) Budget Calendar
- September 22, 2015 – City Council Reviews and Discusses 2015 Goals and Recommended Budget at Study Session (Special Meeting)
- October 13, 2015 – City Council Reviews and Discusses 2015 Goals and Recommended Budget at Study Session (Special Meeting)
- October 20, 2015 – City Council Conducts Public Hearing on Revised Recommended Budget
- November 2, 2015 (Monday) – City Council Considers Resolutions to Adopt the Budget, Appropriate Funds, and Levy

RECAP OF AGREEMENTS AND NEXT STEPS

City Manager Fleming explained the staff would refine the areas as suggested and present for further discussion/review at a later date. Council members should suggest contributing projects/actions to include in the current document. Staff will send out a request.

The Mayor, Council and staff expressed their thanks to Ms. Bergman for her skill in facilitating the meeting.

ADJOURN

The meeting was adjourned at 9:05 p.m.

Robert Muckle, Mayor

ATTEST:

Carol Hanson, Deputy City Clerk